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The Moral Diagnosis

By REV. WM. J. KERBY, PH.D.

Professor of Sociology, Catholic University of America

THE industrial conflict is found wherever labor and capital are united in one industrial operation and are at the same time at variance concerning authority in industry, income from industry and the details of operation. The parties immediately concerned in any one controversy or outbreak are employers and employees. But the issues are fundamental. Reverberations work their way outward and reach all classes, professions and groups. There are practically no neutral spectators to the struggle. Whether conviction, economic interest or association be the determining factor, everyone who has wide sympathies and active intelligence will be disposed to take an attitude. Thus the industrial conflict goes on in every kind of social group and social gathering. It divides men of the same political party, of the same religion, of the same race or class. In so far as men are attracted by social ideals and impersonal search for justice, a group arises which is solicitous for the common welfare, earnest in serving it and free from the tyranny of self-interest or prejudice. Public spirited men, scholars, religious leaders and thoughtful men and women of every type represent the group of practical idealists who seek the way to industrial peace. This three-fold division—labor, capital and the public—is reflected in the composition of arbitration boards of many kinds which aim to deal with particular issues as they arise in the conduct of industry. All three of these classes are represented in the composition of this volume and an endeavor is made to secure a presentation and interpretation of the factors in the struggle and of the forces which operate

in the direction of peace from both partisan and general standpoints.

In ordinary times the conflict is largely verbal. Feeling and conviction are represented in literature, conversation and orderly advocacy of particular views. In an acute phase of the conflict, as, for example, a disagreement in a particular plant, we find the struggle in its concrete form. It will vary in intensity from orderly disagreement to violence. It may relate to substantive demands, such as increase or decrease in wage rates, to technical demands involving the exercise of authority, to conditions of labor, or to the recognition of the union or the return of the dismissed employee. Sometimes the issue is symbolical rather than actual, as, for instance, when Mr. Baer at the time of the anthracite strike was willing to deal with John Mitchell, and absolutely unwilling to deal with John Mitchell, president of the United Mine Workers.

On account of the solidarity of the employers on the one hand and of all organized employees on the other, we find that on both sides of the struggle the best mental effort of both groups is involved in every particular conflict. The intensity of feeling, the determination of the contestants and the extreme attitudes taken, are out of all proportion to any particular issue, and are in proportion only to the magnitude of the issue as a whole in the industrial world. This is perhaps the most obstinate feature of the situation.

PARTICIPANTS IN THE INDUSTRIAL CONFLICT

While we may say that the industrial struggle involves practically all society,

it is equally to the point to say that the struggle does not involve all industry. There are large numbers of laboring men indisposed to raise issues, willing to work without challenging the authority of the employer or the regulations that he sets down. Whether this indifference on the part of laboring men is due to low standards of living or to no standards of living, or to the experience of oppression that has stifled all impulses toward larger justice, is beside the point. Whether the cause be dislike of unionism, reluctance to make the sacrifices of personal liberty belonging to it, or to the belief that the laborer can promote his own interests best by standing out against organization, does not change the situation. Whether this lassitude, individualism or self-confidence of the laboring man is a bad thing or a good thing in the summing up of life and the interpretation of human progress, is not now under consideration. We may in any case eliminate from the actual industrial conflict all laboring men who refuse to raise issues and are willing to submit to the authority of the employer. We may confine attention, then, to that portion of the laboring class which is organized, which raises issues and maintains attitudes at any cost.

We may also eliminate situations in which labor is strong and the employer is weak. The employer who, for any reason whatsoever, believes that the substantial demands of organized labor are warranted and who goes a long way toward complying with them, may be dismissed also from consideration in the industrial conflict. We have remaining, then, the strong employers and the strong labor organizations in whose relations the struggle attains to degrees of intensity that challenge our institutions and search out relentlessly the resources of our social ideals. But not all of these classes are included in

the actual industrial conflict. There are wise and high-minded men on both sides who take large views and impersonal attitudes, who find the way to industrial peace in their individual plants and maintain it through sheer good will and kindly understanding. The number of leaders on both sides who would gladly take such an attitude is more or less reduced by the tyranny of class. The employer is told by his friends that he must stand by his class. The labor leader is, likewise, the defender of his class. This social pressure reduces the possibility of maintaining stable and peaceable relations and working out economic success in many industrial plants.

TENDENCIES TOWARD PEACEABLE ADJUSTMENTS

Passing from the consideration of leaders to that of arrangements we find that collective bargaining between employer and labor union contributes extensively to the furtherance of industrial peace. We may therefore eliminate from the discussion for the present all collective bargaining arrived at without struggle and operated without misunderstanding.

When neither leaders nor collective bargaining can succeed in maintaining stable peace and differences between employer and employee come to the point of conflict, we find very frequently that mediation and arbitration prove effective. These measures prevent the strike which is in itself economically harmful. Where they fail or do not apply and the strike occurs, we see the consequences of unreconciled differences between labor and capital. Or where either or both sides resort to violence, threat, deception, spying, malicious misrepresentation and even death to individuals and destruction of property, we find present the full logic of the bitterness of the struggle

and the defeat of our social and spiritual ideals.

To some extent, progressive social legislation removes many details from the field of conflict. This legislation has succeeded in toning down the asperities of unrestricted competition, and it has removed from the bent shoulders of labor many heavy burdens of industrial risk that perhaps, on the whole, employers have regretted quite as much as the laboring men themselves.

We should not overlook the striking value of industrial research which has brought to the surface a great range of authentic information concerning the facts in industrial life and has given us a more complete analysis of the relations of death, disease, injury, poverty, and inefficiency to the old conditions under which industry operated. The missionary value of accurate information and of authentic interpretation of industrial life and processes is displayed, first, in the progress toward industrial peace already hinted at, and second, in the fact that in very many of our actual industrial conflicts there is disagreement as to fundamental and essential facts. Perhaps nothing can contribute more directly to further the interests of industrial peace than the spread of actual information concerning the facts of industry and the aspirations of those involved in it. When that information is of sufficient quantity and of satisfactory quality it tends to build up a larger social philosophy which serves as a corrective to the extremes of emphasis placed by employers and by labor leaders on their respective claims.

In estimating the situation it is well to remember that the employer is in possession, and buttressed into superlative strength by that fact. The property system endorses him, the traditions of industry justify him, ethical standards corroborate him, legal pro-

cedure and presumption favor him. The inadvertence of the public, the narrowness of the law and the sympathies of accepted culture are his allies. On the other hand, innovation is bad form. The laboring class is under the disadvantage of finding that the public does not understand their claims. The laws have not provided for them. Constitutions have made the recognition of many of them legally impossible; hence laboring men have been compelled to force through issues separately. They have been conscious of fundamental inequality in fact before the law, and they have to await the slow unfolding of a new philosophy which will challenge industrial authority and demand a revision of the functions of the State and the operations of law in serving to secure industrial justice.

LEADERSHIP

The industrial conflict is a problem in leadership. Ignorant and selfish leaders can destroy any cause. Enlightened and high-minded leadership is, next after justice, the greatest asset that any cause can have. If only men of the highest moral integrity, impersonal outlook and culture came to positions of authority and power among both employers and laborers, a long step toward industrial peace would be taken. The harm done by narrow-minded and unworthy leaders on both sides is beyond all calculation. Every instance of trickery, selfishness, misrepresentation, malice, bribery, theft and even murder, as these have been found in the history of the struggle, has done permanent harm to the interests of industrial peace. When character is not stronger than temptation only moral disaster can result. When leaders are not respected no cause can triumph.

No social arrangements that can be

undertaken, no arguments however strong, can serve well the cause of industrial peace if the leadership is not as noble as the cause or as intelligent as the issues demand. The loss of mutual respect among contending leaders, proneness to suspicion, to indirection and to the subtle tactics of self-defense must be enumerated as the most effective obstacles to industrial peace which we face. Character and intelligence are required. Intelligence is necessary because the laws of social progress must be understood; the delicate balance of conflicting claims must be sustained; toleration of the slow complex processes of historical change must be found always. Only disaster could result if employers yielded to the demands of laboring men without regard to economic laws. The mysteries of human motive, the complications of credit and the exactions of business risk all make imperative the need of far-reaching foresight in the midst of the competitive struggle. The labor leader who drives ahead blindly and insists on his isolated demands without adjusting them to the severe limitations of life and of the facts in the situation, serves his cause badly.

Character is required no less than intelligence. Leaders on both sides must be lovers of justice, genuine friends of truth. Unless their moral fibre is strong enough to release them from the tyranny of selfishness and self-seeking, they will drift into an opportunism in which their ideals will perish and they will sink back to the low level of brute force and we shall know no peace.

It is impossible to overstate the importance of leaders, and of intelligence and character in them, in seeking industrial peace. Religion is called upon at this point to do fundamental work in character building. Its assertion of spiritual values, its emphasis on the

intangible compensations of life, its cultural outlook upon life as a whole and its insistence on the sanctity of service, are essentials in the training of industrial leaders.

CONSCIENCE IN OWNERSHIP

Were our industrial leaders on both sides as intelligent and high-minded as we might ask, an industrial problem would still remain in the form of a reasonable conflict of economic interests. Differences as to authority in industry, as to income from industry and as to details of operation will remain to sharpen thinking, improve caution, and slow down the impulsiveness that is so harmful in institutional life. Men are never more wise than when they face a challenge which they must respect. Industrial authority like any other is expansive. Differences of judgment among men will remain forever. Without ideals we shall sink into barbarism. With them we are made restless and aspiring. The property system as such and the conditions of the distribution of property are involved here. We have today large industrial units, large amalgamations of capital, parceled ownership through stockholding and separation of ownership from management, in that owners do not manage and managers do not own. We have representative government in industry as we have in political life. The directors of industrial corporations are representatives of the owners of an industry. They are not the owners. We have majority control and the manipulation of that majority is as clearly marked as in any legislative assembly that ever acted. We find the infinite delicacy of the system of credit and finance, the tendency of controlled credit to drift toward small groups whose imperial power in the industrial world exceeds the dreams of a Roman Caesar. The executives in

control of an industry obey the directors and the directors establish policies that will produce dividends. The dividends are distributed to the one thousand or thirty thousand scattered owners. The result is that the conscience of ownership is separated from its functions. An entirely new dominant motive is introduced and an industry must maintain prestige in the competitive struggle, produce dividends, protect credit, and maintain stock and bond values. In this way the economic motive takes on enhanced power in the practical direction of industry and the human consideration of the wider interest of labor is undoubtedly weakened.

From this standpoint the problem is one of reuniting conscience and responsibility with ownership and of forcing upon dividends a Christian spirit and impulse. Religion has a task at this point in restating the responsibilities of ownership, in reuniting conscience and ownership, and in devising a more worthy recognition of the weaker element of labor in the industrial process. This entire task may be described by saying that it is necessary to devise a new ideal of social justice, a new bill of industrial rights which will serve the industrial constitution as the bills of political rights serve the development of the political constitution in the history of human living.

The supreme motive in the industrial process is profit. The individualistic philosophy upon which our industrial fabric has rested frankly declares that the appeal to selfishness is the driving power of life, that that motive alone is powerful enough to feed and clothe the world, promote progress and place the latent genius of mankind at the material service of the race. No one denies the sanctity of justice provided he may define it. The employer seeks and serves justice as he defines it. The

laborer seeks and serves justice as he defines it. The two disagree in their definition of justice as applied to present social conditions. Approach to agreement as to what justice is in terms of authority, income, and details of operation, is the direct way to industrial peace. If the employer insists on his concrete definition of justice to the exclusion of all others, there can be no peace. If the laborer devises his own definition of justice to the exclusion of all others without regard to the complex limitations of life and without compromise, there can be no peace.

All social institutions operate by force of factors which they themselves do not control. Good will, mutual trust and respect, confidence in the divine order of life, control of valuations that will stand against all selfish pressure must be interwoven into all institutional management if we are to have peace. Religion as the interpreter of justice and of human values is called upon to lend its best efforts to such discounting of conflicting standards of justice as will prepare the way for understanding.

Certain modifications of industrial authority, new ways of calling in the conscience of all stockholders as a determining factor in business policy, pressure from stock and bond holders upon directors, the promotion of stock and bond ownership among laboring men, promotion of coöperative efforts and of various forms of insurance and saving, the extension of social legislation at points of greatest pressure and menace to the laborer, the assumption of new protective functions by the State, seem to be imperative as scattered efforts toward social justice. It would be no service to human progress were we to ask the laboring class to surrender its idealism. It would be no service to progress to reserve all of the authority in industry to those who con-

trol it. The converging of effort and research upon the extent to which the employer can yield and labor can be self-controlled in seeking a common definition of justice are tasks that are now at hand.

INDUSTRIAL LIBERTY

The problem may be stated again in terms employed by Von Scheel in the early seventies in Germany. He described the labor question as consisting in the consciousness of contradiction between political emancipation and economic dependence as experienced by the laboring class. The development of personal liberty and the philosophy of the modern state have given to the individual an enhanced self-appreciation which is the cornerstone of democracy as it is the fundamental truth in the teaching of Christ. The individual craves life, growth, security, and the opportunity to enjoy a reasonable share in the culture of his time. Our political teaching is based on these truths. The operation of our institutions assumes that the individual does understand these aspirations and that he acts upon that understanding. Rapid industrial development that placed the laboring man increasingly under the domination of the employer was in conflict with this enhanced self-appreciation. Now the fundamental power of the labor movement is derived from the spirit of democracy. The laboring men believe that their political democracy has been made futile by the experience of industrial dependence. The whole struggle seen from this standpoint consists in the determined effort of laboring men to introduce the spirit and some of the ways of democracy into industry. The industrial conflict is, therefore, a phase in the solemn process of the readjustment of political and industrial institutions in western civilization. It is use-

less for any employer or any state or statesman to attempt to ignore this tidal movement of the world. It is useless for any employer to believe that he can do anything more than hinder for a moment the progress of the process in a particular industrial plant. Wisdom will be found only through the proper understanding of this process of social readjustment as a whole, and in drawing upon history for the wisdom needed to guide it safely.

Nor can laboring men on their part afford to ignore the lessons of history, the penalties of revolution, and the sanctities that restrain all great social effort. Political rulers who ignored popular aspirations have gone down to death, and institutions have crumbled because of attempts to resist this cosmic movement. But the day of liberty has been long delayed when subjects defied the orderly process of social change. They are best friends of progress who control the urge of the indiscriminate passion for liberty. There can be no doubt that much of the delay that industrial justice has suffered, much of the misunderstanding that has prolonged the agony of the weaker social classes may be ascribed to the mistakes of judgment and faults of motive that have led men to see the world through inflamed vision instead of the calmer light of reason. The spirit that prevails in the industrial conflict is due largely to what one may call divided thinking. Every social interest must be seen in its place in the whole of social life. No industrial leader can think clearly if he insists on thinking out the relations of the world from the standpoint of economic interests. That interest is one of many. Life is more than raiment. If employers would but think of life from the standpoint of life itself, they would readily gain an insight which would dis-

pose them to adjust economic claims to higher human claims. If they would study the social conditions that leave the weaker classes helpless and that baffle their legitimate aspiration for fuller life, for freedom from economic fear and for reasonable dignity and opportunity, understanding would be given to them where it now fails.

But the mistakes of divided thinking are found also in the advocacy of the interests of the employee. Reckless insistence on demands without due allowance for the complication of social change exposes one to mistakes in action which hurt confidence. Refusal to act on limitations which employers do not invent and cannot control leads employees into positions which their best friends cannot endorse. If, then, each party to the controversy were to study his own claim, not in itself, but as a subordinate phase of life as a whole, a widening of sympathy and improvement of understanding would result which would point the nearer way to industrial peace.

This divided thinking is a mistake from every social standpoint. Until it is corrected, we can expect no basis

of stable peace. The mistake is one of method. It seems that religion has an opportunity here which promises much among those who accept its message with confidence and respect its claims with reverence. Religion touches the whole of each man's life and the whole of social life. It aims to diminish emphasis on the interests that divide men and to increase it on the interests that unite them. It is safer to interpret competition from the standpoint of human brotherhood than it is to understand brotherhood from the standpoint of competition. The sanctities of property are borrowed from the sanctities of life. The sanctities of life will never be understood and respected if only economic thinking is to guide one. The work which religion has to do extends to such correction of habits of thought, and of points of view as will place all of the related interests of life in true proportion to one another. Once this is accomplished, the way to industrial peace is pointed out. Until this is done, hope for justice and peace will be confined to what social authority can do by force and law.